

87th Legislative Session – 2012

Committee: Senate State Affairs

Monday, February 27, 2012

P - Present
E - Excused
A - Absent

Roll Call

P Adelstein
P Cutler
P Frerichs
P Gray
P Johnston
P Rave
P Tieszen
P Olson (Russell), Vice-Chair
P Rhoden, Chair

OTHERS PRESENT: See Original Minutes

The meeting was called to order by Senator Larry Rhoden, Chair.

MOTION: TO APPROVE THE MINUTES OF FRIDAY, FEBRUARY 24, 2012

Moved by: Rave
Second by: Tieszen
Action: Prevailed by voice vote.

HB 1093: revise certain property tax levies for the general fund of school districts.

Presented by: Senator Bob Gray

MOTION: DO PASS HB 1093

Moved by: Gray
Second by: Johnston
Action: Prevailed by roll call vote. (6-0-3-0)

Voting Yes: Frerichs, Gray, Johnston, Rave, Tieszen, Rhoden

Excused: Adelstein, Cutler, Olson (Russell)

HB 1220: conditionally repeal certain provisions establishing network adequacy standards, quality assessment and improvement requirements, utilization review and benefit determination requirements, and grievance procedures for managed health care plans, and certain standards for managed health care plans if the Patient Protection and Affordable Care Act is found to be unconstitutional.

Presented by: Representative Brian Gosch

Proponents: Randy Moses, Department of Labor and Regulation

MOTION: DO PASS HB 1220

Moved by: Gray

Second by: Rave

Action: Prevailed by roll call vote. (7-1-1-0)

Voting Yes: Adelstein, Gray, Johnston, Rave, Tieszen, Olson (Russell), Rhoden

Voting No: Frerichs

Excused: Cutler

HB 1228: review the sunset concerning tax refunds for new or expanded agricultural facilities and new or expanded business facilities.

Presented by: Senator Tom Hansen

Proponents: Steve Willard, SD Electric Utilities

David Owen, SD Chamber of Commerce and Industry

Julie Johnson, Absolutely Aberdeen, Aberdeen Development Corporation & Prairie Vision, Aberdeen

Bob O'Connell, Sioux Falls Area Chamber of Commerce

Bill Van Camp, Nextera Energy Resources

Brett Koenecke, SD Electric Utility Companies & Iberdrola Renewables

Opponents: Ben Nesselhof, Vermillion, Self

Tony VenHuizen, Office of the Governor, commented on Amendment 1228fg

MOTION: AMEND HB 1228

1228fg

On the House engrossed bill, delete everything after the enacting clause and insert:

" Section 1. That chapter 10-45B be amended by adding thereto a NEW SECTION to read as follows:

Any wind energy facility which installs wind turbines and operates the turbines to create electrical energy is eligible for a rebate of the sales and use taxes and contractors' excise taxes paid on the project. The wind energy facility is eligible for the rebate if the project has a construction date on or after January 1, 2013, and the total project costs exceeds fifty million dollars. For project costs incurred and paid after January 1, 2013, inclusive, the amount of the rebate for the wind energy facility shall be determined by multiplying the nameplate capacity, in megawatts, of the installed turbines by forty-five thousand dollars. The rebate is payable when construction is complete and the sales and use taxes and contractors' excise taxes have been paid in full.

Section 2. That chapter 10-45B be amended by adding thereto a NEW SECTION to read as follows:

Any new business facility that is an environmental upgrade to an existing electric generation facility is eligible for a rebate of the sales and use taxes and contractors' excise taxes paid on the project. The new business facility is eligible for the rebate if the project has a construction date on or after January 1, 2013, and the total project costs exceeds fifty million dollars. For project costs incurred and paid after January 1, 2013, inclusive, the amount of the rebate for an environmental upgrade shall be fifty percent of the total sales and use taxes and contractors' excise taxes paid. The rebate is payable when construction is complete and the sales and use taxes and contractors' excise taxes have been paid in full."

Moved by: Gray
Second by: Johnston
Action: Prevailed by voice vote.

MOTION: DO PASS HB 1228 AS AMENDED

Moved by: Gray
Second by: Rave
Action: Prevailed by roll call vote. (8-1-0-0)

Voting Yes: Adelstein, Cutler, Frerichs, Gray, Johnston, Rave, Tieszen, Rhoden

Voting No: Olson (Russell)

MOTION: AMEND TITLE OF HB 1228

1228ftg

On page 1, line 1, of the House engrossed bill, delete everything after "Act to" and insert "provide tax rebates for certain energy projects."

On page 1, delete line 2.

Moved by: Gray
Second by: Johnston
Action: Prevailed by voice vote.

MOTION: AUTHORIZE A 2012 SUMMER STUDY AND THOROUGH REVIEW OF DRAINAGE LAWS BY THE SOUTH DAKOTA LEGISLATURE TO PROVIDE FOR IMPROVED MANAGEMENT AND REGULATION OF THE DRAINAGE OF SURFACE AND SUBSURFACE WATER FOR THE BENEFIT OF ALL SOUTH DAKOTANS (SCR 5)

Moved by: Olson (Russell)
Second by: Cutler
Action: Prevailed by voice vote.

MOTION: ADJOURN

Moved by: Adelstein
Second by: Rave
Action: Prevailed by voice vote.

Kay Johnson
Committee Secretary

Larry Rhoden, Chair